

Summit Rovins & Feldesman

445 PARK AVENUE NEW YORK 10022

212-702-2200

Justin W. D'Atri

212-702 2450

A PARTNERSHIP INCLUDING
PROFESSIONAL CORPORATIONS

TELECOPIER
212-702-2295
212-702-2290

CABLE LAW MEN
TELEX: 14-8376

December 1, 1989

Mr. Lee R. Brown
Vice President
Magnesium Corporation of America
238 North 2200 West
Salt Lake City, Utah 84116

Dear Lee:

With respect to certain permits which your company holds from the State of Utah, and the bond which you have posted with the State, you have asked me to clarify the transaction which took place in August, 1989:

1. Amax Magnesium Corporation (the "Company") was incorporated under the Laws of the State of Delaware on or about August 15, 1980 and qualified as a foreign corporation in Utah on or about October 20, 1980.
2. On September 1, 1989, Amax Magnesium Corporation changed its name to Magnesium Corporation of America by Certificate of Amendment filed with the Delaware Secretary of State. On September 15, 1989, documents reflecting the change of name were filed with the Director of Corporations and commercial Code of the Department of Commerce of the State of Utah. Copies of the Certificate of the Delaware Secretary of State and the Utah Department of Commerce are attached.
3. All obligations of Amax Magnesium Corporation incurred under the former name of Amax Magnesium Corporation continue to be obligations of the Corporation under its new name of Magnesium Corporation of America. Specifically, any bonds which Amax Magnesium Corporation has executed would continue to be its obligation under its new name of Magnesium Corporation of America.

000153

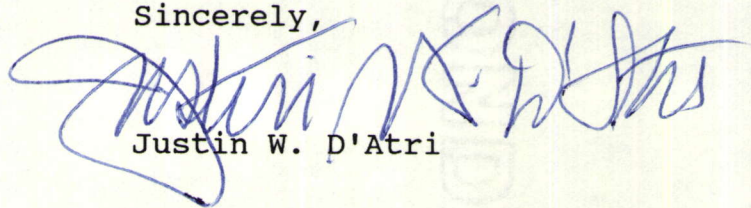
Summit Rovins & Feldesman

Mr. Lee R. Brown
Magnesium Corporation of America
December 1, 1989
Page Two

4. Up until August 31, 1989, Amax, Inc. was the sole stockholder of Amax Magnesium Corporation. On that day Amax, Inc. sold its stock to Renmag, Inc. This stock sale did not alter the obligation of Amax Magnesium Corporation, now Magnesium Corporation of America.

Lee, think of it as a person changing his (her) name. All obligations the person may have incurred under his (her) old name continues to be obligations of the same person under his (her) new name.

Sincerely,



Justin W. D'Atri

JWD:ef

000154